Vice President's Conversation on the Future

Trend Research: Social, Economic, and Political Differences

Descriptor Definition

This descriptor white paper centers on the social, economic and political differences of people living in Ohio, with a particular emphasis on median household income, per capita income, poverty, and political affiliation.

Author Insights[i]: Descriptor Relevance

Among the many seemingly repeating stories in the headlines these days is the decline in size of the middle class in the U.S. The topic has been a regular focus of writers on the opinion pages, discussed regularly on network and cable news programs, and a key talking point of angling politicians. The data indicate that the distribution of economic gains in income has been very uneven during the last 30 years. Wages (adjusted for inflation) have been flat since 2009 and median household income in Ohio (when adjusted for inflation) has declined 13 percent since 1989 (U.S. Census). We are also led to believe that Americans are trending toward greater political polarization as well, with the proportion of the population identified as politically independent in decline. Decline in size of the middle class and political polarization are generally seen as detrimental to overall societal health.

Trend Information and Interpretation

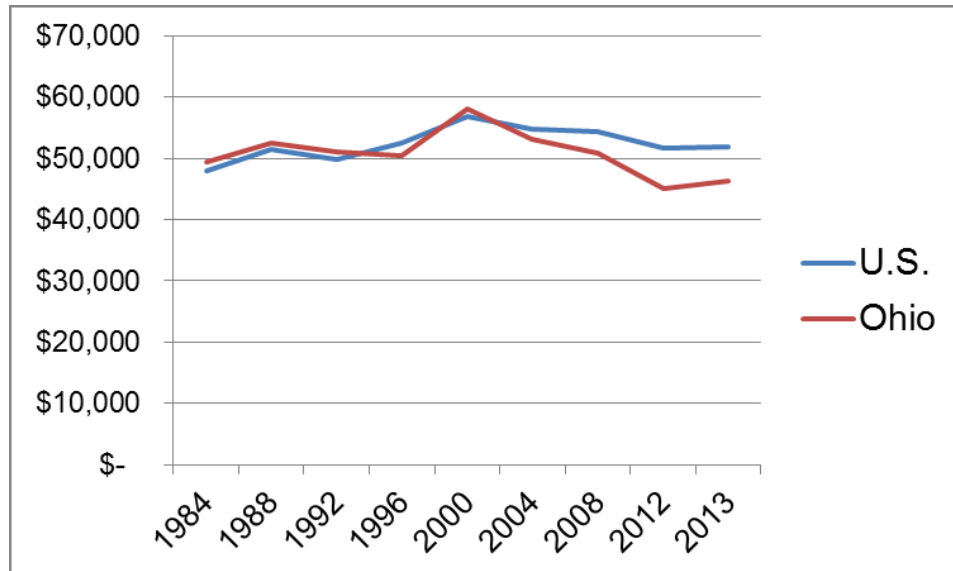### Socio-economic Differences

To a large extent the social, economic and political differences among Ohioans can be explained by population density and by the diversity of economic activity. Transportation improvements undertaken over the past 40-50 years by the state of Ohio in partnership with the U.S. Department of Transportation have enabled outmigration from Ohio's largest cities (e.g. Cincinnati, Cleveland, Columbus, Dayton, and Toledo). The migration to locations surrounding these cities has created concentrations of wealth and capital. Per capita income has been steadily increasing in counties such as Delaware, Geauga, Warren, and Medina which are within commuting distance to Ohio's urban centers (U.S. Census). Until recently, many of these urban centers were left to contend with high unemployment, declining tax base, and little economic activity. More recently, efforts have been undertaken to attract residents and employers to the city centers yet residents of Cleveland and other urban centers with an industrial-focused legacy continue to struggle with poverty. The U.S. Census estimates over 140,000 residents of Cleveland continue to live in poverty (down slightly from ten years ago). Overall, median household income in Ohio in 2012 was $46,873 and below than the U.S. average of $51,371 (U.S. Census). Figure 1 illustrates the trend since 1995 and the difference between the U.S. average and Ohio.
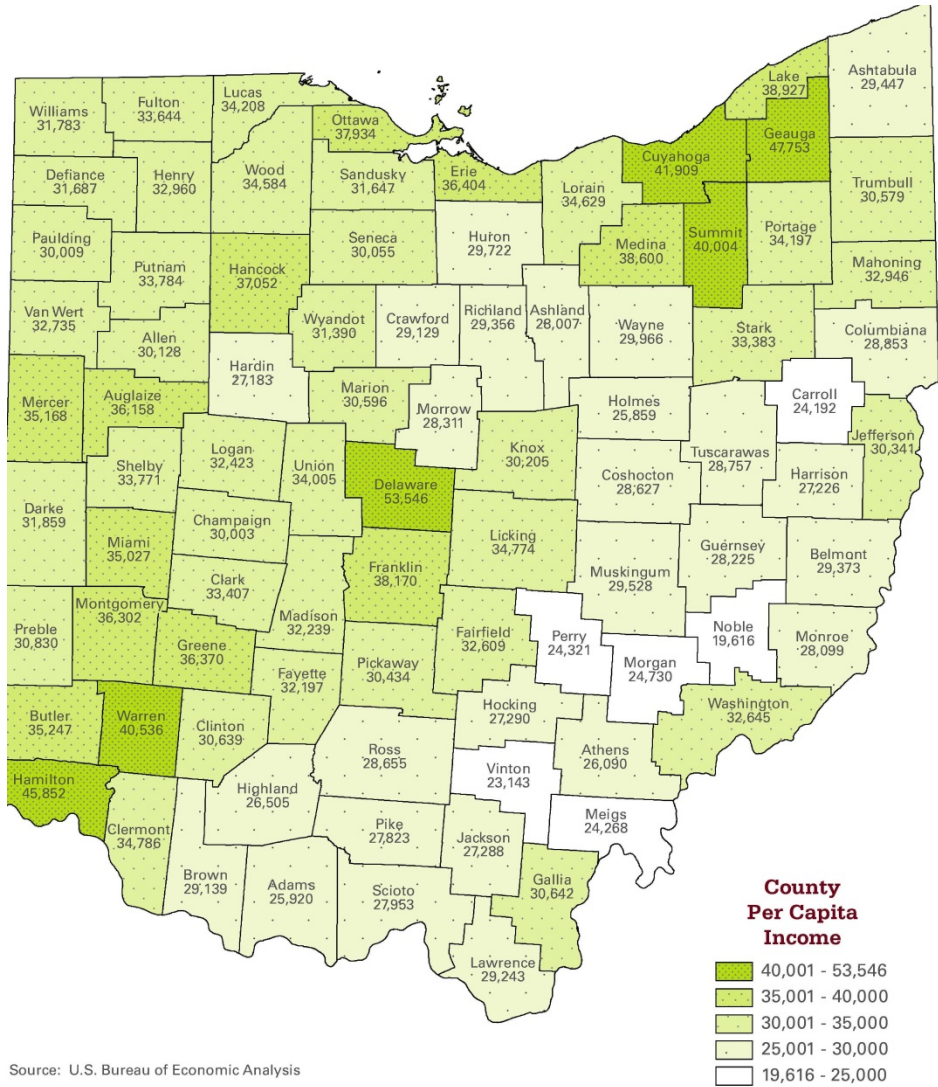
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Figure 1.
Median Household Income – Ohio and U.S.

In Ohio's more rural areas it is the southern Appalachian counties that provide the most striking social, economic and political contrast. Per capita income, for example is lowest in the southern Appalachian counties with very limited economic activity such as Noble, Vinton, Meigs and Perry. Differences in per capita income by county are illustrated in Figure 2.

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Figure 2.
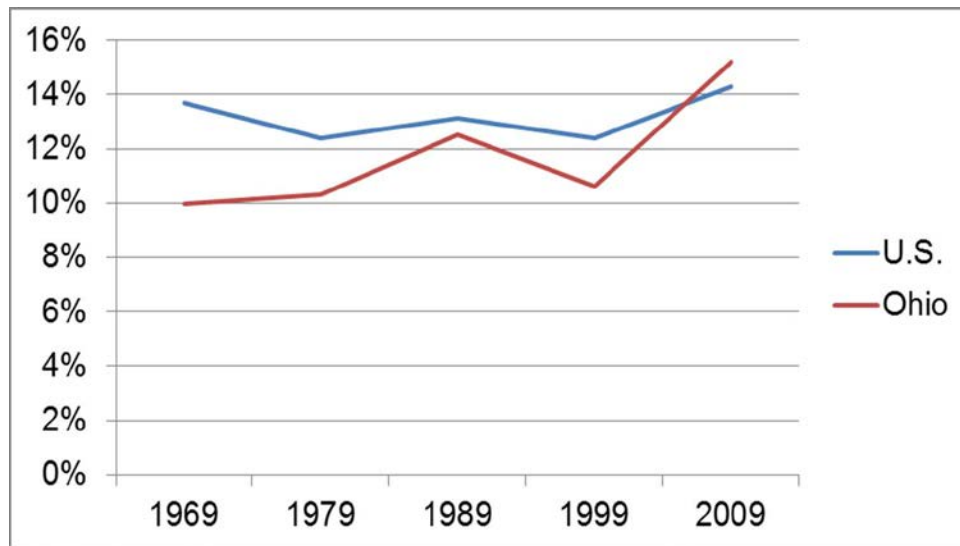County Per Capita Income – State of Ohio

Source: U.S. Bureau of Economic Analysis

Prepared by: Ohio Department of Development,
Policy Research and Strategic Planning (July 2012)

Source: Ohio Development Services Agency

Counties with the highest poverty rates 25 years ago included: Adams (25.7 percent), Scioto (25.1 percent), and Athens counties (24.3 percent). These parts of Ohio have sustained chronic poverty. For example, in 2012 the highest rates were found in Athens (33.3 percent), Scioto (24.4 percent), and Pike counties (23.2 percent) (U.S. Census). Poverty rates statewide have continued to increase over the past 25 years from 12.1 percent in 1989 to 15.1 percent in 2009 and 16.2 percent in 2012 (U.S. Census); higher than the U.S. average of 15.9 percent (see Figure 3). These differences are felt in the education system and provision of other basic government services as tax bases dwindle in the areas of higher unemployment and poverty.
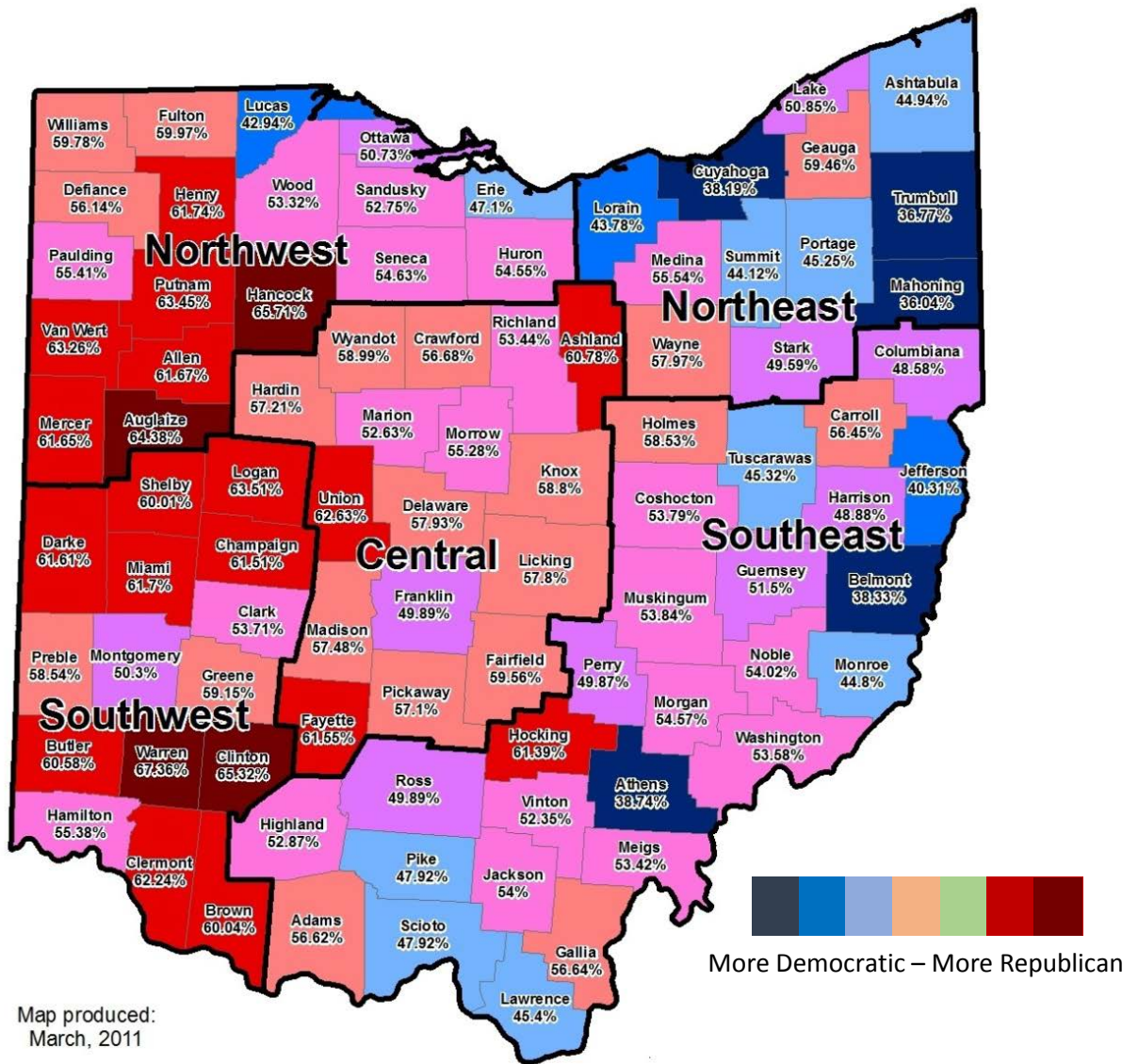
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Figure 3.
Proportion of Population Living in Poverty – Ohio and U.S.

Political Differences

Ohio's political identity or personality could be characterized as somewhat split. More Ohioans voted Democrat than Republican in the presidential elections of 1976, 1992, 1996, 2008, and 2012. In the presidential elections of 1980, 1984, 1988, 2000, and 2004 there were more Ohioans voting Republican than Democrat. Such voting behavior has been characteristic of state office races in the past 50-60 years as well. Both parties have enjoyed relative dominance in state offices, most recently the Republican Party. The Democrats held most state offices for 20+ years prior to 1990 and the Republicans for a time before that (Curtin). According to ESRI data mapping, Ohioans in the more urban areas have tended to vote more Democratic while residents of the more rural areas and small towns tended to vote more conservatively (ESRI). Politically, Ohio is also characterized as having distinct regions (see Figure 4) with unique political dynamics (Bliss Institute). For example, the northeastern part of the state has historically voted Democratic; the southwestern region more Republican. Central Ohio and the northwestern part of the state have also tended to vote Republican but less reliably so. According to the Bliss Institute, the counties experiencing the most remarkable shifts in voting behavior include: Franklin County; from voting reliably Republican as recent as 20 years ago to voting more Democratic today, and Montgomery County; from leaning Democratic in 1994 to voting more Republican today (Curtin).

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Figure 4.
Proportion of Votes for Republican Candidates

Source: Bliss Institute, The University of Akron

Overall Summary of Trend Information

Median household income in Ohio has kept pace with the U.S. average until about 10 years ago.
County per capita income figures vary widely across the state with more densely populated counties
seeing the higher incomes. Appalachian counties have historically seen the lower per capita incomes

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relative to other parts of the state. Statewide, the poverty rate was slightly below that of the U.S. average and was in decline until 2000. The poverty rate began to increase in 2000 in tandem with the U.S. average until 2007 when the Ohio poverty rate exceeded that of the U.S. average (and has been slightly higher since). Politically, party affiliation of Ohioans has been relatively evenly split, earning the state "key battleground state" status in presidential elections. Furthermore, based on location within the state, party affiliation is somewhat predictable as well.

Author Insights – Possible Trends for the Future

Looking out to the year 2035, there are three likely outcomes for the trend in social, economic and political differences including *a priori* probabilities of occurrence. Probabilities of occurrence are estimations (given the information available and knowing it will likely change) that provide a starting point for conversations about the future. They can be illustrated as: (1) best outcomes possible or trends that go one direction; (2) the status quo are maintained; or (3) trends go a different/opposite direction.

A. Underemployment issues will worsen as well as accessibility to social opportunities. Economic differences will worsen most notably between central Ohioans and the rest of the state as Central Ohio will dominate all other urban areas of the state in white-collar professional growth and social opportunities. Statewide, wage growth will stagnate and the gap between the median household income for central Ohioans and the rest of the state will widen. Political division will increase. Based on 2014 trend information, this outcome has an *a priori* probability of occurrence of 0.20.

B. Central Ohio will dominate all other urban areas of the state in white-collar professional growth and social opportunities. Underemployment and resulting social limitations will continue in rural Appalachia and in areas of the state with limited economic opportunity. Economic differences will continue to widen at the current rate. Wage growth will continue to be relatively flat and median household income will continue to trail the U.S. average. The number of Ohioans without political party affiliation will continue to shrink in size. Political division will continue. Based on 2014 trend information, this outcome appears to be the most likely with an *a priori* probability of occurrence of 0.45.

C. Pockets of high unemployment and underemployment will give way to overall employment growth statewide. Social opportunities will increase and economic differences will decline from the current rate. Wage growth will begin to increase and median household income will surpass the U.S. average. Political party affiliation will decrease slightly. Based on 2014 trend information, this outcome has an *a priori* probability of occurrence of 0.35.

References

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[i] Along with the research-based data and statistics included in this document, is information provided by the research paper author(s). Although these author insights are not directly cited with research references, they reflect research, observation, logic, intuition, and well-considered expectations compiled by the author(s). The Author Insights sections of this paper are offered for discussion and to help provide a wider perspective for incorporating the descriptor data into the possible future trends. These conclusions are drawn by the author(s) using their knowledge of the scholarly references and their years of professional experience related to the descriptor, and are provided to help the reader more effectively envision the future impact and effects of the descriptor.

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